NOTICE OF PREPARATION

OF A

DRAFT ENVIRONMENTAL IMPACT REPORT FOR THE PROPOSED ELMWOOD RESIDENTIAL and COMMERCIAL DEVELOPMENT PROJECT

PROJECT APPLICANT: KB Home and County of Santa Clara

FILE NO: P-EA2003-7

APN: 086-05-009, 086-05-021, 086-11-013,

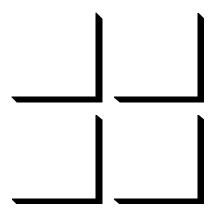
086-05-003, and 086-05-012.

As the Lead Agency, the City of Milpitas will prepare an Environmental Impact Report for the above-referenced project and would like your views regarding the scope and content of the environmental information to be addressed in the EIR which is germane to your agency's statutory responsibilities in connection with the proposed project. This EIR may be used by your agency when considering approvals for this project.

The project description, its location, and a brief summary of potential environmental effects which will be analyzed in the EIR are attached.

According to State law, the deadline for your response is 30 days after receipt of this notice; however, we would appreciate an earlier response, if possible. Please identify a contact person, and send your response to:

City of Milpitas
Planning Division
Attention: Troy Fujimoto
455 East Calaveras Boulevard
Milpitas, California 95035-5479
(408) 586-3287



APPENDIX: A

NOTICE OF PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT FOR THE PROPOSED ELMWOOD RESIDENTIAL AND COMMERCIAL DEVELOPMENT PROJECT

November 2003

A. Introduction

The purpose of an Environmental Impact Report (EIR) is to inform decision makers and the general public of the environmental effects of a proposed project. The EIR process is intended to provide environmental information sufficient to evaluate a proposed project and its potential for significant impacts on the environment; to examine methods of reducing adverse environmental impacts; and to consider alternatives to the project.

The EIR for the proposed development will be prepared and processed in accordance with the California Environmental Quality Act (CEQA) of 1970, as amended. In accordance with the requirements of CEQA, the EIR will include:

- A summary of the project
- A project description
- A description of the existing environmental setting, potential environmental impacts, and mitigation measures
- Alternatives to the project as proposed
- Environmental consequences, including: (a) any significant environmental effects which cannot be avoided if the project is implemented; (b) any significant irreversible and irretrievable commitments of resources, (c) the growth-inducing impacts of the proposed project, (d) effects found not to be significant, and (e) cumulative impacts.

B. Project Location

The project site is comprised of surplus lands of the County of Santa Clara that surround the Elmwood Correctional Facility, located east of I-880, south of Sylvia Avenue, on both sides of Abel Street, and north of Great Mall Parkway in the City of Milpitas. A regional and vicinity map of the project site is shown on Figures 1 and 2, respectively.

C. Description of the Project

The project proposes amendments to the Milpitas General Plan and Midtown Specific Plan, a Planned Unit Development (PUD) Rezoning, Vesting Tentative Map, Subdivision Maps, Site and Architectural Approval, and multiple Conditional Use Permits. The 53.7-acre project site is currently designated as *General Commercial*, *Parks and Recreation*, and *Very High Density Residential* [31-40 dwelling units/acre] in the City's Midtown Specific Plan. The EIR will address subdivision of the entire 102.62-gross acre site (including the 66.92-acre Elmwood Correctional Facility property); residential development proposed on approximately 31 acres of the site, comprised of 21.48 acres located north of the Elmwood Correctional Facility and 9.6-acres located east of Abel Street; and approximately 150,000 square feet of auto sales uses on the County's 22.58 acres fronting I-880.

The residential site would be developed with 721 residential units of a mix of unit types. The project also includes a one-acre park on the east side of Abel Street, and an approximate three-acre park/trail along the Hetch-Hetchy right-of-way that crosses the site from east to west on the portion of the project west of Abel Street.

D. Potential Environmental Effects of the Project

The EIR will identify the significant environmental effects anticipated to result from the proposed change in land use designation on the site. The EIR will include at least the following specific environmental categories, as related to the proposed project.

- 1) Land Use: The project site is surrounded by a variety of land uses, including single family residential to the north, commercial and multi-family residential to the east, the Elmwood Correctional Facility to the south, and I-880 to the west. The EIR will describe the existing land uses on the site and in the surrounding area, and evaluate any potential land use conflicts resulting from implementation of the proposed project. The EIR will describe potential constraints to the proposed residential and commercial development posed by the existing conditions in the area, including the Hetch-Hetchy pipeline easement and the site's proximity to the Elmwood Correctional Facility. The EIR will also identify potential land use impacts upon nearby land uses resulting from the project. The EIR will also describe the project's consistency with adopted plans and policies, including policies of the Midtown Specific Plan. Mitigation measures will be identified for significant land use impacts.
- Transportation: The traffic analysis prepared for the EIR will identify the existing roadway conditions and other elements (light rail, bus routes, bike routes, etc.) of the transportation system in and around the site, including the local streets and intersections, regional facilities (such as expressways), and freeways. The traffic analysis will evaluate the impacts of the project on the local and regional transportation system, following the guidelines of the City of Milpitas and the Congestion Management Program (CMP) of the Santa Clara Valley Transportation Authority (VTA). The EIR will also evaluate parking, onsite circulation, bicycle and pedestrian access, and transit impacts. Mitigation measures will be identified for significant traffic, parking, on-site circulation, bicycle and pedestrian and transit impacts.
- 3) Air Quality: A detailed air quality analysis will be prepared to evaluate the air quality impacts of the project. The EIR will address the impacts of the project upon long-term local and regional air quality and identify mitigation measures for significant impacts. Temporary construction related impacts such as construction vehicle exhaust and fugitive dust will also be discussed. Mitigation measures will be identified for significant air quality impacts.
- 4) Noise: The project site is subject to relatively high ambient noise levels from vehicular traffic on the adjacent I-880, Abel Street, and Great Mall Parkway. The EIR will describe the existing noise environment at the project site, and will discuss the compatibility of the proposed residential uses with ambient noise levels. The EIR will also evaluate the potential for project traffic and construction to result in significant noise impacts. Noise levels will be evaluated for consistency with applicable standards and guidelines in the City of Milpitas. Mitigation measures will be identified for significant noise impacts.
- 5) Biological Resources: The project site is generally covered with ruderal (weedy) habitat and is known to contain several pairs of Burrowing Owls. There is also a drainage ditch along

the northern boundary of the site that leads to Penitencia Creek and a low area in the southern portion of the site that may be considered jurisdictional wetlands. Lastly, there are approximately 75-125 trees on the site, including over 50 historic American elm trees, called the O'Toole Elms, that are considered an important local resource. The EIR will evaluate the potential biological resources impacts of the project, including impacts to sensitive plant and wildlife species that may be present. The EIR will describe the condition of the O'Toole Elm trees and identify the impacts of the project on the Elms, based upon a certified arborist's evaluation of the trees and proposed project plans. Mitigation measures will be identified for significant impacts to biological resources.

- 6) Geology and Seismicity: Site soils have a high shrink/swell potential and the presence of historic creek channels in the project area and unengineered fill may affect the proposed development. The entire valley floor of the City of Milpitas has been designated as a liquefaction zone by the Alquist Priolo Act/Map. The EIR will describe these geologic conditions and potential impacts to the project. Mitigation measures will be identified for significant geologic impacts.
- 7) Flooding, Drainage, and Water Quality: Flood Insurance Rate Map (FIRM) shows this site to be in Special Flood Zone AO. There is a large stormwater pond at the southwest corner of the site that receives storm runoff from the residential neighborhood southeast of I-880/Great Mall Parkway, as well as runoff from I-880 and possibly from the west end of the project site. There is also a drainage ditch along the northern boundary of the site, leading to Penitencia Creek from the abandoned golf course driving range. The EIR will describe the existing conditions and proposed changes in site drainage and hydrological conditions resulting from the project, including overflows resulting from upstream creeks, impact of a new bridge crossing Lower Penitencia Creek, and changes in floodplain. The EIR will evaluate the increase in runoff resulting from development of the project and identify any improvements required to drain the site. Mitigation for significant impacts will be discussed, as appropriate. Construction and operation of the project may result in storm water runoff and surface water pollution from increases in oil and grease and heavy metals related to vehicle use and parking on the site. The EIR will address the potential for increases in storm water pollution and identify mitigation measures for significant water quality impacts.
- 8) Cultural Resources: The Elmwood Jail has long been known as the location of an important archaeological site that was first recorded in the 1950's. The EIR will discuss the potential for the project to impact archaeological materials, based on a report of findings from backhoe testing over the 53.7-acre development site. Mitigation measures will be identified for significant impacts to cultural resources.
- 9) Hazardous Materials: The site was used primarily for agricultural purposes between at least 1939 and about 1970. Previous agricultural uses result in the potential for soil and/or groundwater contamination to exist from the use and storage of fertilizers, pesticides, and/or from leaking underground fuel tanks. The EIR will address the potential for hazardous materials contamination to be present on or near the site and impact the project. Mitigation measures will be identified for significant hazardous materials impacts.
- 10) Visual Resources: The EIR will describe the existing visual character of the project area and the projected change in visual character resulting from development of the project. The EIR will describe the project's conformance with City of Milpitas General Plan and Midtown Specific Plan policies. The analysis will also discuss any relevant policy issues, and the visual consistency with both existing and any additional planned build-out of adjacent

- properties. Mitigation will be identified, as necessary, in terms of the City's landscaping, architecture, and design review standards.
- 11) Utilities and Services: The EIR will describe the existing and planned water, sanitary sewer, recycled water, solid waste, gas, electric, cable and telephone services to the project area. The EIR will address potential impacts to these services, specifically as they relate to infrastructure requirements, facilities, and capacity. The EIR will describe the existing condition of water supply, evaluate the impacts of the proposed development, and recommend mitigation measures for significant impacts.
- 12) *Energy:* The EIR will identify potential impacts related to the consumption of energy resources and mitigation measures to offset potential impacts.
- Availability of Public Facilities and Services: The EIR will address the availability of public facilities and service systems, and the potential for the project to require the construction of new public facilities. This discussion will include a review of the effects on the provision of police and fire services, and the public school districts, libraries, and parks that would occur as a result of the project. Mitigation measures will be identified, as warranted.
- 14) Cumulative Impacts: The EIR will include a discussion of cumulative impacts of the GPA and the specific development project in combination with other pending and future development in the area. A list of past, present, and reasonably anticipated future projects will be included, based upon information available from the City and neighboring jurisdictions. The EIR will analyze and describe the significant cumulative impacts to which the project would contribute.
- Alternatives to the Project: The EIR will evaluate alternatives to the proposed project that could feasibly accomplish most of the basic purposes of the project and could avoid or substantially lessen one or more of the significant environmental effects. The alternatives to be evaluated in the EIR could include the following: 1) No Project Alternative; 2) Reduced Density Alternative; and 3) Alternate Commercial Land Use (240,000 square feet of shopping center space). The alternatives discussion will describe the environmental impacts and benefits of the alternatives, compared with the proposed project. In accordance with CEQA, the EIR will identify an environmentally superior alternative from the alternatives described, based on the number and degree of associated environmental impacts. It is acknowledged that the alternate commercial use described above may not be environmentally superior to the proposed auto sales use, but will be included in the EIR to provide flexibility to the County and City for the future development of the commercial portion of the site.
- 16) Growth Inducing Impacts: The EIR will discuss the ways in which the project could foster economic or population growth, either directly or indirectly, in the surrounding environment.

In conformance with the CEQA Guidelines, the EIR will also address other information typically required for an EIR. These other sections include the following: 1) Consistency with Local and Regional Plans; 2) Significant Unavoidable Impacts; 3) Significant Irreversible Environmental Changes; 4) EIR References and Organizations & Persons Consulted; and 5) EIR Authors.

Figure 1: Regional Map

